

Professional Service Industries, Inc.**Facsimile Transmittal Sheet**DATE: June 3, 1998 TIME: **4:30** PM TO BE MAILED: ☒ YesTOTAL NUMBER OF PAGES **3**

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To:**NAME: Jeff Winter, P.E.**

FIRM: KC Airport

Telephone: 206-286-7380

FAX #: 206-286-0190

From:**NAME: Sam Yaghmaie, P.E.**

PLEASE DELIVER AS SOON AS POSSIBLE. OPERATOR INITIALS: SY

Writer's direct fax: (206) 282-6457

Please review, approve, and Fax us a signed copy. It will take about two weeks to arrange for drilling. TXS.

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Information To Build On

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GENERAL CONDITIONS

1. PARTIES AND SCOPE OF WORK: Professional Service Industries Inc. (hereinafter referred to as "PSI") shall include said company or its particular division, subsidiary or affiliate performing the work. "Work" means the specific geotechnical, analytical, testing or other service to be performed by PSI as set forth in PSI's proposal, the client's acceptance thereof if accepted by PSI and these General Conditions. "Client" refers to the person or business entity ordering the work to be done by PSI. If the client is ordering the work on behalf of another, the client represents and warrants that the client is the duly authorized agent of said party for the purpose of ordering and directing said work. Unless otherwise stated in writing, the client assumes sole responsibility for determining whether the quantity and the nature of the work ordered by the client is adequate and sufficient for the client's intended purpose. Client shall communicate these General Conditions to each and every third party to whom the client transmits any part of PSI's work. PSI shall have no duty or obligation to any third party greater than that set forth in PSI's proposal, client's acceptance thereof and these General Conditions. The ordering of work from PSI shall constitute acceptance of the terms of PSI's proposal and these General Conditions.

2. TESTS AND INSPECTIONS: Client shall cause all tests and inspections of the site, materials and work performed by PSI or others to be timely and properly performed in accordance with the plans, specifications and contract documents and PSI's recommendations. No claims for loss, damage or injury shall be brought against PSI by client or any third party unless all tests and inspections have been so performed and unless PSI's recommendations have been followed. Client agrees to indemnify, defend and hold PSI, its officers, employees and agents harmless from any and all claims, suits, losses, costs and expenses, including, but not limited to, court costs and reasonable attorney's fees in the event that all such tests and inspections are not so performed or PSI's recommendations are not so followed except to the extent that such failure is the result of the negligence, willful or wanton act or omission of PSI, its officers, agents or employees, subject to the limitation contained in paragraph 9. PSI may, in the course of a roof investigation, perform roof cuts ("cuts") as part of the investigation. Client agrees to provide a roof contractor of client's choice to make such cuts, to remove samples as directed by PSI personnel, and to promptly make necessary repairs. In the event that a roof contractor is not so provided by client, client agrees that PSI may make and remove such cuts as PSI deems necessary in the course of the investigation. Roof cut areas will be temporarily patched by PSI personnel. Client agrees to pay for the costs of materials and labor needed for any and all temporary patches and will hold PSI harmless for any and all damages to the roof systems and the building and its contents which may arise from removal and repairing of roof cuts.

3. SCHEDULING OF WORK: The services set forth in PSI's proposal and client's acceptance will be accomplished in a timely, workmanlike and professional manner by PSI personnel at the prices quoted. If PSI is required to delay commencement of the work or if, upon embarking upon its work, PSI is required to stop or interrupt the progress of its work as a result of changes in the scope of the work requested by the client, to fulfill the requirements of third parties, interruptions in the progress of construction, or other causes beyond the direct reasonable control of PSI, additional charges will be applicable and payable by client.

4. ACCESS TO SITE: Client will arrange and provide such access to the site as is necessary for PSI to perform the work. PSI shall take reasonable measures and precautions to minimize damage to the site and any improvements located thereon as the result of its work or the use of its equipment; however, PSI has not included in its fee the cost of restoration of damage which may occur. If client desires or requires PSI to restore the site to its former condition, upon written request PSI will perform such additional work as is necessary to do so and client agrees to pay to PSI the cost thereof.

5. CLIENT'S DUTY TO NOTIFY ENGINEER: Client represents and warrants that he has advised PSI of any known or suspected hazardous materials, utility lines and pollutants at any site at which PSI is to do work hereunder, and unless PSI has assumed in writing the responsibility of locating subsurface objects, structures, lines or conduits, client agrees to defend, indemnify and save PSI harmless from all claims, suits, losses, costs and expenses, including reasonable attorney's fees as a result of personal injury, death or property damage occurring with respect to PSI's performance of its work and resulting to or caused by contact with subsurface or latent objects, structures, lines or conduits where the actual or potential presence and location thereof was not revealed to PSI by client.

6. RESPONSIBILITY: PSI's work shall not include determining, supervising or implementing the means, methods, techniques, sequences or procedures of construction. PSI shall not be responsible for evaluating, reporting or affecting job conditions concerning health, safety or welfare. PSI's work or failure to perform same shall not in any way excuse any contractor, subcontractor or supplier from performance of its work in accordance with the contract documents. PSI has no right or duty to stop the contractor's work.

7. SAMPLE DISPOSAL: Unless otherwise agreed, test specimens or samples will be disposed immediately upon completion of the test. All drilling samples or specimens will be disposed sixty (60) days after submission of PSI's report.

8. PAYMENT: Client shall be invoiced once each month for work performed during the preceding period. Client agrees to pay each invoice within thirty (30) days of its receipt. Client further agrees to pay interest on all amounts invoiced and not paid or objected to for valid cause in writing within said thirty (30) day period at the rate of eighteen (18) percent per annum (or the maximum interest rate permitted under applicable law), until paid. Client agrees to pay PSI's cost of collection of all amounts due and unpaid after sixty (60) days, including court costs and reasonable attorney's fees. PSI shall not be bound by any provision or agreement requiring or providing for arbitration of disputes or controversies arising out of this agreement, any provision wherein PSI waives any rights to a mechanics' lien, or any provision conditioning PSI's right to receive payment for its work upon payment to client by any third party. These General Conditions are notice, where required, that PSI shall file a lien whenever necessary to collect past due amounts. Failure to make payment within 30 days of invoice shall constitute a release of PSI from any and all claims which client may have, either in tort or contract, and whether known or unknown at the time.

9. WARRANTY: PSI'S SERVICES WILL BE PERFORMED, ITS FINDINGS OBTAINED AND ITS REPORTS PREPARED IN ACCORDANCE WITH THIS AGREEMENT AND WITH GENERALLY ACCEPTED PRINCIPLES AND PRACTICES. IN PERFORMING ITS PROFESSIONAL SERVICES, PSI WILL USE THAT DEGREE OF CARE AND SKILL ORDINARILY EXERCISED UNDER SIMILAR CIRCUMSTANCES BY MEMBERS OF ITS PROFESSION. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED. STATEMENTS MADE IN PSI REPORTS ARE OPINIONS BASED UPON ENGINEERING JUDGMENT AND ARE NOT TO BE CONSTRUED AS REPRESENTATIONS OF FACT. SHOULD PSI OR ANY OF ITS PROFESSIONAL EMPLOYEES BE FOUND TO HAVE BEEN NEGLIGENT IN THE PERFORMANCE OF ITS WORK, OR TO HAVE MADE AND BREACHED ANY EXPRESS OR IMPLIED WARRANTY, REPRESENTATION OR CONTRACT, CLIENT, ALL PARTIES CLAIMING THROUGH CLIENT AND ALL PARTIES CLAIMING TO HAVE IN ANY WAY RELIED UPON PSI'S WORK AGREE THAT THE MAXIMUM AGGREGATE AMOUNT OF THE LIABILITY OF PSI, ITS OFFICERS, EMPLOYEES AND AGENTS SHALL BE LIMITED TO \$25,000.00 OR THE TOTAL AMOUNT OF THE FEE PAID TO PSI FOR ITS WORK PERFORMED WITH RESPECT TO THE PROJECT, WHICHEVER AMOUNT IS GREATER.

IN THE EVENT CLIENT IS UNWILLING OR UNABLE TO LIMIT PSI'S LIABILITY IN ACCORDANCE WITH THE PROVISIONS SET FORTH IN THIS PARAGRAPH, CLIENT MAY, UPON WRITTEN REQUEST OF CLIENT RECEIVED WITHIN FIVE DAYS OF CLIENT'S ACCEPTANCE HEREOF, INCREASE THE LIMIT OF PSI'S LIABILITY TO \$250,000.00 OR THE AMOUNT OF PSI'S FEE, WHICHEVER IS THE GREATER, BY AGREEING TO PAY PSI A SUM EQUIVALENT TO AN ADDITIONAL AMOUNT OF 5% OF THE TOTAL FEE TO BE CHARGED FOR PSI'S SERVICES. THIS CHARGE IS NOT TO BE CONSTRUED AS BEING A CHARGE FOR INSURANCE OF ANY TYPE, BUT IS INCREASED CONSIDERATION FOR THE GREATER LIABILITY INVOLVED.

10. INDEMNITY: Subject to the foregoing limitations, PSI agrees to indemnify and hold client harmless from and against any and all claims, suits, costs and expenses including reasonable attorney's fees and court costs arising out of PSI's negligence to the extent of PSI's negligence. Client shall provide the same protection to the extent of its negligence. In the event that client or client's principal shall bring any suit, cause of action, claim or counterclaim against PSI, the party initiating such action shall pay to PSI the costs and expenses incurred by PSI to investigate, answer and defend it, including reasonable attorney's and witness fees and court costs to the extent that PSI shall prevail in such suit.

11. TERMINATION: This Agreement may be terminated by either party upon seven day's prior written notice. In the event of termination, PSI shall be compensated by client for all services performed up to and including the termination date, including reimbursable expenses, and for the completion of such services and records as are necessary to place PSI's files in order and/or protect its professional reputation.

12. WITNESS FEES: PSI's employees shall not be retained as expert witnesses except by separate, written agreement. Client agrees to pay PSI's legal expenses, administrative costs and fees pursuant to PSI's then current fee schedule for PSI to respond to any subpoena.

13. HAZARDOUS MATERIALS: Nothing contained within this agreement shall be construed or interpreted as requiring PSI to assume the status of an owner, operator, generator, storer, transporter, treater or disposal facility as those terms appear within RCRA or within any Federal or State statute or regulation governing the generation, transportation, treatment, storage and disposal of pollutants. Client assumes full responsibility for compliance with the provisions of RCRA and any other Federal or State statute or regulation governing the handling, treatment, storage and disposal of pollutants.

14. PROVISIONS SEVERABLE: In the event any of the provisions of these General Conditions should be found to be unenforceable, it shall be stricken and the remaining provisions shall be enforceable.

15. ENTIRE AGREEMENT: This agreement constitutes the entire understanding of the parties, and there are no representations, warranties or undertakings made other than as set forth herein. This agreement may be amended, modified or terminated only in writing, signed by each of the parties hereto.